

CONTRACT AWARD NOTIFICATION
ANNUAL REQUIREMENTS FOR
PROCESSING OF RECYCLABLES COLLECTED
AT RECYCLING DROP-OFF SITES

DATE: June 6, 2004

CONTRACT PERIOD: June 1, 2004 thru May 31, 2005

CONTRACTOR: Midland Recycling
440 "J" Street
Lincoln, Nebraska 68508

PURCHASING DIVISION
K-STREET COMPLEX
440 SOUTH 8TH STREET
LINCOLN, NEBRASKA 68508
(402) 441-7410

Company Representative: Mike Foster
Telephone No.: 402/476-8502
FAX No.: 402/476-8529
E-Mail Address: mfoster@midlandrecycling.biz

THE CITY/COUNTY'S SPECIFICATIONS AND THE CONTRACTOR'S ACCEPTED PROPOSAL AND PRICING SCHEDULES, NOW ON FILE IN THE OFFICE OF THE CITY CLERK AND/OR THE COUNTY CLERK, ARE ADOPTED BY REFERENCE AND ARE AS FULLY A PART OF THIS CONTRACT FOR THE ABOVE-NAMED COMMODITY AS IF REPEATED VERBATIM HEREIN.

AS PER EO #70189 dated 2/28/04

NO ACTION NEED BE TAKEN BY THE CONTRACTOR AT THIS TIME. ORDERS FOR MATERIAL WILL BE MADE AS NEEDED BY THE VARIOUS CITY/COUNTY DEPARTMENTS.

DEPARTMENTS REQUIRING CATALOGS AND/OR PRICING SCHEDULES SHALL NOTIFY THE CONTRACTOR DIRECTLY.

EO #70189
Dated: 04/28/04

**CONTRACT FOR THE PROCESSING OF RECYCLABLES
COLLECTED AT RECYCLING DROP-OFF SITES**

THIS CONTRACT MADE AND ENTERED INTO this 28 Day of April, 200⁴~~7~~ between the City of Lincoln, Nebraska, a municipal corporation, hereinafter referred to as "City" and Midland Recycling, hereinafter referred to as "Contractor."

WITNESSETH:

WHEREAS, the City manages a network of recycling drop-off sites in the City and County which collect newspapers, glass bottles, #1 & #2 plastic bottles, cardboard, residential mixed paper, aluminum cans, and tin cans; and

WHEREAS, Midland Recycling operates a Material Recovery Facility which can sort and process all the recyclables collected through the City's recycling drop-off program;

NOW THEREFORE, the City and the Contractor do hereby agree to the terms, conditions, and covenants set forth below:

1. It is the express intent of the parties hereto that this agreement shall not create an employer-employee relationship; and the Contractor, its employees and any person acting on behalf of the Contractor shall be deemed to be an independent Contractor during the term of the agreement.

2. The Contractor shall provide processing and marketing services in a manner that complies with local, state and federal regulations related to the operation of a material recovery facility.

3. The term of the contract for the collection of recyclables, shall be in full force for a period of one year starting June 1, 2004 and ending May 31, 2005 with an option by the City to renew on an annual basis thereafter by providing a 60 day notice of renewal prior to the expiration of the contract.

4. The City may terminate the contract as of August 31st of any fiscal year should funds not be appropriated for the continuance of the contract into the following fiscal year. The City will give the Contractor 30 days written notice of termination for lack of appropriated funds.

5. The Contractor and its agents agree to indemnify and hold harmless and defend the City of Lincoln, and any of their officers, agents, servants and employees from any and all claims resulting from injuries, including death, damages and losses arising out of, connected with, or in any way associated with this agreement.

6. The Contractor or its subcontractors shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, age or marital status.

7. The Contractor shall provide insurance in accordance with the City's standard insurance clause to be used for all owners contracts, which is hereby made part of this contract.

8. Mr. Gene Hanlon, Recycling Coordinator (phone no. 402.441-7043; after work hours 402.435-2054) or his designated representative, is the City's agent responsible for the administration of this agreement. E-Mail address: ghanlon@ci.lincoln.ne.us.

9. Mr. Mike Foster (phone no. 402.476-8502; cell 402.610-2899) or his designated representative, is the Contractor's agent responsible for the coordination of this agreement. E-mail address: mfoster@midlandrecycling.net.

WORK REQUIREMENTS

10. The Contractor shall supply all labor, materials, equipment, supplies, and facilities necessary to process and market newspapers, cardboard, residential mixed paper, color separated glass, #1 & #2 plastic containers, aluminum cans and tin cans deposited at drop-off sites.

10.1 During the term of the agreement additional recyclables may be added for collection at the recycling drop-off sites through mutual agreement with the contractor.

10.2 The material recovery facility shall be located within the corporate limits of the City of Lincoln.

11. The Contractor shall be responsible for the sorting and grading of 17 to 25 tons per day of recyclable material collected at the City's recycling drop-off sites and transported to the Contractor's facility.

12. The Contractor shall provide the City or its collection contractor with access to its facility to unload recyclables on a daily basis, except authorized holidays.

12.1 Authorized holidays are Christmas Day, Thanksgiving Day, and New Years Day.

13. Any waste and nonrecyclable material shall be properly separated and disposed of in the Bluff Road Landfill, 6101 Bluff Road.

14. No recyclables from the recycling drop-off program shall be deposited in the sanitary landfill without prior approval by the City of Lincoln.

15. The Contractor shall maintain daily, weekly, and monthly logs on the weight of material received and the drop-off location the material was received from.

16. The Contractor shall provide the City's Collection Contract with a weight ticket for each load of recyclables delivered to the Contractor. The weight ticket shall include the following information: Date; Type of Recyclable Material; Recycling Drop-off site location(s); Total Weight of Material.

17. During the term of the agreement all sorting, processing and marketing services for recyclables deposited at the recycling drop-off sites will be provided by the Contractor and the Contractor shall share revenue from the sale of the recyclables based on the formula outlined below. The net payment to the City shall be based on the first issue of each month of "Waste News Commodity Pricing Report" published in the Waste News publication. Prices paid by recyclers in the Chicago region shall be used to determine the payment to the City. The recycler per ton price for Chicago minus the processing fee for Midland Recycling shall equal the payment paid to the City (i.e. # 6 newspapers high side index price = \$20 per ton; Midland Recycling Processing fee = \$10 per ton; the net payment to the City = \$10 per ton). In the event the formula results in a negative amount for a particular commodity, the city shall receive no revenue and shall not be charged a processing fee by the Contractor.

	Chicago Index Price (Per ton)	Midland Recycling Processing Fee (Per ton)
#6 Newspaper	High-side	\$5
Aluminum Cans	High-side	\$0
Steel Cans	Low-side	\$50
Clear Glass	Low-side	\$0
Brown Glass	Low-side	\$0
Green Glass	Low-side	\$5
PET & HDPE Plastic Bottles	Low-side	\$140
Residential Mixed Paper	Low-side	\$0

18. The Contractor shall share the revenue from the sale of old corrugated containers (OCC) based on the last issue of the month for the high side price index for the Chicago region in the "Official Board Markets" publication.

	Chicago Index Price (Per ton)	Midland Recycling Processing Fee (Per ton)
Old Corrugated Containers(OCC)	High-side	\$20

19. The Contractor shall provide a photocopy of the index pricing from each publication listed above with its monthly invoice.

20. The Contractor shall provide a monthly invoice to the City indicating the amount of recyclables by commodity type collected at each recycling site and the amount of revenue generated per site. Said invoice shall be submitted to the City within 30 days following the completion of the month.
21. The Contractor shall work with the City and its collection contractor to weigh the roll-off containers for food and beverage containers in April and November each year in order for a formula can be developed to allocate the amount of recyclables by commodity type for each container taken to the Contractor.
22. Each month, the Contractor shall use a city-provided excel spreadsheet in tracking the amount of materials received from the recycling drop-off program. The spreadsheet shall contain the quantity of material collected by recycling drop-off site and the date the material was collected.
 - 22.1 The monthly report shall be submitted to the City within 10 days after the end of each month.
23. The amount of aluminum cans received from recycling sites shall be based on the actual amount of aluminum cans processed.
24. The Contractor shall process newspaper, cardboard, residential mixed paper, glass containers on a daily basis while aluminum cans and tin cans shall be processed within 5 days of arriving at the Contractor's facility.
25. The Contractor shall maintain its facility in a manner to minimize any litter leaving its property. Failure to control litter may result in termination of the contract.
26. The Contractor shall provide measures to protect the health and safety of employees and provide regular training on the safe operations of the material recovery facility.
27. The Contractor agrees to give the City collection contractor(s) priority in unloading materials at the processing facility.
28. In the event the Contractor has an equipment breakdown or a facility failure in which they cannot receive recyclables from the recycling drop-off program, the Contractor shall notify the City via e-mail, facsimile (402)441-8735 or hand delivered written notice. After normal working hours notification shall also be made via phone to City representative.
 - 28.1 The Contractor shall make arrangements to receive and process recyclables during the facility failure.
 - 28.2 Any out of pocket expense borne by the City of Lincoln in redirecting recyclables related to the facility failure shall be reimbursed by the Contractor.
 - 28.3 Repeated or prolonged facility failure shall be considered a material breach of this contract and may constitute grounds for termination of this contract.
29. The Contractor and the City will work together to investigate the feasibility of developing a neighborhood recycling drop-off center across the street from the Midland Recycling material recovery facility located at 440 J Street.
30. During the term of the contract the City shall develop educational materials related to the recycling drop-off sites and encourage the public to recycle.
31. The City shall compare the monthly report provided by the Contractor with data provided by the collection contractor and notify the Contractor of any variances between the reports.
32. The City shall schedule a monthly meeting with the contractor to discuss issues associated with the recycling drop-off contract.
 - 32.1 At least quarterly, there will be a joint meeting with the Collection Contractor to discuss common issues associated with the recycling drop-off program.
33. Should the Contractor not comply with the terms of the contract, the City may declare a material breach of the contract and declare the Contractor in default for nonperformance and require performance by another contractor. After notice to the surety Company, the performance bond required hereunder will be utilized.

PERFORMANCE BOND

34. As further security for the performance of this contract and in order to assure the City of Lincoln's continued operation of the Recycling Drop-off Sites, the Contractor shall supply within fifteen (15) days of notice of award of the contract a "Contract and a Performance Bond" written on a minimum of an annual basis, on forms required by the City of Lincoln, in an amount of \$25,000.00. Such Performance Bond to be used as security for the performance of the contract. Such Performance Bond shall be maintained for the entire term of this contract and/or renewal. The surety on the "Contract and the Performance Bond" shall be a duly authorized surety company, licensed to do business in the State of Nebraska, satisfactory to the City of Lincoln.

34.1 No surety company will be accepted as a bonder that does not have a permanent agent or representative in Lancaster County, Nebraska, upon whom notices may be served; service of such agent or representative in Lancaster County shall be equal to service of such notice on the president or other such officer as may be concerned.

34.2 Should the surety company acting as bonder remove its permanent agent or representative from Lancaster County, the Contractor shall then furnish the City of Lincoln with new surety bond conforming to the above described requirements. As further security for the performance of this contract and in or

35. Any amendments to this agreement must be made in writing and acceptable to both parties.

36. This agreement cannot be assigned to others without prior approval by the City. In the event the City approves of the assignment of this agreement, it shall be binding upon the heirs, successors, and assigns of the parties hereto.

37. This agreement shall be governed by the laws of the State of Nebraska.

Dated this 28 day of April, 2004

MIDLAND RECYCLING



Witness



Mike Foster, General Manager

440 J STREET

Address

Lincoln NE 68508

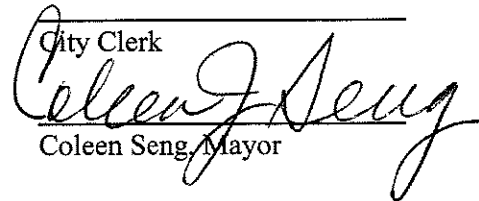
City

State

Zip

CITY OF LINCOLN

Attest:


City Clerk
Coleen Seng, Mayor